

# Retail Owner Section

# Washington State WIC program

## retailer selection criteria

Retailers must meet all the following requirements in order to be considered for authorization. Applying for WIC authorization does not guarantee you will be authorized. The WIC Nutrition Program does not authorize every retailer that applies.

Once authorized, retailers must continue to meet all of the following requirements, and any changes to the criteria, in order to remain authorized. The WIC Program may review your compliance with the Retailer Selection Criteria any time in the contract period. Failure to meet any of the selection criteria is cause for denial or ending the contract.

### WIC Program bases the selection of each retailer on the following criteria:

#### Program need

The program mission is to improve the lifelong health and nutrition of women, infants, and children in Washington state. Meeting this mission is the foundation for selection of authorized retailers. Retailers are selected to provide clients reasonable access to the nutrition provided by WIC foods.

#### Check volume

Retailers re-applying must take in an average of at least forty checks per month.

Retailers with no WIC history will be on probation for one year or to the end of the contract period, whichever comes first. The WIC Program will evaluate the retailer's check volume at the end of the probation period and may take action to end the contract.

## WIC approved foods

### Retailers must have on the shelves:

- At least the minimum quantities of WIC approved foods as specified in the WIC Approved Foods - Minimum Stock Levels when they apply.
- The minimum quantity of the WIC contract formulas for at least 1-2 infants, using the quantities specified in the WIC Approved Foods - Minimum Stock Levels.
- At least the minimum variety of items from all WIC food categories as specified in the WIC Approved Foods - Minimum Stock Levels.
- WIC approved foods with current shelf lives.

### Retailers must:

- Maintain minimum stock levels throughout the contract period.
- Purchase infant formula only from a wholesaler, distributor, retailer, or supplier approved by the WIC program.
- Be prepared to provide documentation identifying where they buy infant formula.

## Prices of WIC approved foods

A retailer must agree to and maintain prices of individual WIC foods at or less than the maximum price within their assigned peer group as determined by the WIC Program.

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### Business operations

#### A retailer must:

- Have a valid Washington state tax registration (UBI) number. Oregon and Idaho retailers must have all valid licenses required by their respective state.
- Have an activated Food Stamp authorization number. Pharmacies are exempt from this requirement.
- Operate from a fixed, permanent location.
- Be a full line/full service retailer that stocks a variety of staple foods on a continuous basis in addition to WIC approved foods. Staple foods include fresh, frozen, and/or canned unbreaded meat, poultry, fruits, and vegetables; dairy products, and grain products, such as bread, rice, and pasta.
- Be open for business at least eight hours per day, six days per week.
- Accept cash and food stamp EBT.
- Receive or be expected to receive no more than fifty percent (50%) of their total annual food sales from WIC transactions.

### Business integrity

The WIC Program will not authorize a retailer if, in the last six years, the retailer has been disqualified from WIC or the Food Stamp Program or has been assessed a monetary penalty instead of a Food Stamp disqualification. Exceptions may be considered based on program need.

An owner, officer, or partner of a retailer must not have bought or sold a store in order to avoid a WIC sanction.

The WIC Program will deny or revoke a retailer's WIC authorization if any of the owners, officers, partners, or managers has been convicted of or had a civil judgment for fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice in the last six years.

### Compliance with the WIC contract

The Washington State WIC Nutrition Program is required by federal regulations to monitor its approved stores. On-site monitoring is conducted on at least 5 percent of WIC authorized retailers each year. Monitoring helps the WIC Program provide better service and information to retailers so those retailers in turn can provide better service to WIC customers.

# Important information for retail owners

**WIC Contract:** As the owner of a company participating in the Department of Health WIC Nutrition Program, you need to read and understand the contract you sign, so you know exactly what it obligates you, your store and your employees to do.

All the requirements for successful participation in the program are found in the contract. Following the requirements will not only ensure your success as an authorized retailer but will also ensure the WIC checks your store accepts will be paid.

The majority of contract provisions come from the federal regulations. The Department of Health also requires standard language in all contracts they issue. In addition, Washington Administrative Code (WAC 246-790) is reflected in the contract language.

The state WIC office provides you and your employees with reference materials, including this handbook, to keep in locations known and easily accessible by all employees. Checkers are the key to making sure WIC checks are redeemed correctly. The bookkeeping staff are also very important. Many check problems can be avoided by vigilance of your bookkeeping staff.

State WIC staff are available by telephone at 1-800-841-1410, Monday through Friday, 8am to 5pm, excluding state holidays. After hours and weekends there is voice mail. We strive to be as available to you and your employees as possible.

**Change of name, location or store closure:** Notify the WIC Nutrition Program in writing if there is any change in store name, store location, or if the store closes.

**Buying a store or selling a WIC authorized store:** WIC authorization does not transfer when ownership changes. The new owner must apply to be considered for WIC authorization.

- Call or send written notice at least 30 days before the date of sale with information about the change of ownership.

# Retailer contract

## SPECIAL TERMS AND CONDITIONS

### IT IS MUTUALLY AGREED THAT:

4. By signing this contract, the Contractor agrees to comply fully, and to ensure each authorized store listed on page 1 complies fully with the following:
  - all contract provisions contained in this document,
  - the WIC Retailer Handbook,
  - 7 CFR 246,
  - WAC 246-790,
  - all federal policies and procedures, and
  - any changes to federal or state law or regulations and/or the Retailer Selection Criteria, which may be made during the contract period.
  
5. General      The Contractor shall:
  - a) Comply with the Retailer Selection Criteria throughout the term of the contract.
  - b) Be accountable for the actions or inactions of employees, owners, officers, managers, or agents of the contractor with regard to participation in the WIC Program.
  - c) Serve WIC customers in a respectful and courteous manner.
  - d) Provide WIC services in a way that safeguards WIC customers' confidentiality and civil rights.
  - e) Keep two copies of the WIC Retailer Handbook in each store in locations known and easily accessible to employees.
  - f) Comply with corrective actions required by the WIC Program.
  - g) Accept WIC checks only for the exact WIC food(s) and quantity listed on the check.
  - h) Refuse WIC checks offered in exchange for cash, credit, or non-food items.
  - i) Display a "WIC Checks Accepted Here" sign in a visible location.
  - j) Comply with federal and state nondiscrimination laws.
  
6. Training      The Contractor shall:
  - a) Participate in annual training on WIC program requirements by reading all training materials provided by the WIC Program.
  - b) Participate in interactive training sessions on WIC program requirements at least once during the contract period.
  - c) Ensure store representatives who attend training sign the attendance sheet.
  - d) Train checkers, customer service specialists, front end supervisors, managers, bookkeepers, and inventory control employees on WIC program requirements and the consequences of failing to follow those requirements.
  - e) Maintain written documentation of which employees received training on WIC program requirements. See the timeframe in the General Terms and Conditions, item 10, Records, Documents, and Reports for how long to keep training documentation.

# Retailer contract

7. Check handling (point of sale)
  - a) Checks payable to specific stores      The Contractor shall:
    - 1) Make sure the store name, and store number if applicable, or the words "Any Authorized WIC Retailer" are printed on the "Pay To" line of the WIC check.
    - 2) Make sure the dates on the WIC check are current. The check can be used on the "First Day to Use", the "Last Day to Use", or any day in between these two dates.
    - 3) Make sure there is a signature in the "Signature Verified at WIC Clinic" box.
    - 4) Make sure there is no signature in the "Signature Verified at Store" box before the customer is asked to sign (see #10 below).
    - 5) Make sure there are no alterations on the WIC check.
    - 6) Make sure only the exact WIC food(s) and quantity listed on the check are being purchased by ringing up the WIC foods in the order they are listed on the check.
    - 7) Keep WIC foods separate from non-WIC foods.
    - 8) Total the purchase price of the WIC foods and make sure it is less than the "Not to Exceed" amount printed on the check.
    - 9) Write the purchase price in the "Actual Purchase Price" box using blue or black ink.
    - 10) After writing in the purchase price, ask the WIC customer to sign the check in the "Signature Verified at Store" box.
    - 11) Make sure the signature is the same as the signature in the "Signature Verified at WIC Clinic" box.
  - b) Checks needing to be stamped with the WIC retailer identification number      The Contractor shall:
    - 1) Make sure the dates on the WIC check are current. The check can be used on the "First Day to Use", the "Last Day to Use", or any day in between these two dates.
    - 2) Make sure there are no alterations on the WIC check.
    - 3) Make sure only the exact WIC food(s) and quantity listed on the check are being purchased by ringing up the WIC foods in the order they are listed on the check.
    - 4) Keep WIC foods separate from non-WIC foods.
    - 5) Total the purchase price of the WIC foods.
    - 6) Write the purchase price in the "Actual Purchase Price" box using blue or black ink.
    - 7) Ask the WIC customer for identification that shows a signature.
    - 8) Make sure the identification matches one of the names printed under the "Customer Signature" box.
    - 9) Ask the WIC customer to sign the check in the "Customer Signature" box.

# Retailer contract

## 8. Bookkeeping:

- a) Checks payable to specific stores      The Contractor shall:
- 1) Make sure the WIC checks are payable to your store.
  - 2) Make sure checks have current dates.
  - 3) Make sure the total amount of the purchase is written in the “Actual Purchase Price” box on the check and that it is less than the “Not To Exceed” amount printed on the check.
  - 4) Make sure there are two signatures that match on each check.
  - 5) Make sure the checks are not altered in any way.
  - 6) Endorse and deposit checks within 60 days of the “First Day To Use”.
- b) Checks needing to be stamped with the WIC retailer identification number      The Contractor shall:
- 1) Stamp the check in the “Retailer Stamp ID Here” box on the face of the check.
  - 2) Use the ID stamp provided by the WIC Program.
  - 3) Use black ink.
  - 4) Make sure the stamped identification number on the check is readable.
  - 5) Make sure checks have current dates.
  - 6) Make sure the total amount of the purchase is written in the “Actual Purchase Price” box on the check.
  - 7) Make sure the checks are not altered in any way.
  - 8) Endorse and deposit checks within 60 days after the “First Day To Use”.
  - 9) Notify the WIC Program immediately if the ID stamp is lost or stolen.
  - 10) Return the stamp(s) to the WIC Program within one week when a store is not participating in the program for any reason, including a change in ownership, closure, or disqualification.

## 9. Inventory and record keeping      The Contractor shall:

- a) Buy infant formula only from a wholesaler, distributor, retailer, or supplier approved by the WIC Program.
- b) Have available in the store at all times at least the minimum stock level and variety in each WIC food category as listed in the WIC Approved Foods – Minimum Stock Levels.
- c) Pharmacies must meet and maintain the minimum stock levels for infant formula only. They are not required to carry other WIC food items.
- d) Keep stock levels of WIC foods over the minimum requirement as necessary, to fully meet the needs of WIC customers shopping at the store.

# Retailer contract

- e) Keep inventory records of WIC foods, including documentation identifying where infant formula is purchased. See the timeframe in the General Terms and Conditions, item 10, Records, Documents, and Reports for how long to keep inventory records.
  - f) Keep food sales documentation. This includes the dollar volume of all food sold by the store regardless of payment type (for example: cash, Food Stamp EBT, credit, or debit). See the timeframe in the General Terms and Conditions #10 Records, Documents, and Reports for how long to keep food sales documentation.
  - g) Do not sell WIC foods past the “use by date”.
  - h) Allow the exchange of WIC food for the identical product, exact brand and size, when the original food item is spoiled, defective, or past the “use by” date at the time of purchase.
10. Food pricing      The Contractor shall:
- a) Provide the WIC Program a complete updated WIC Food Price List at least quarterly.
  - b) Provide notification to the WIC Program within five (5) days of significant price changes that occur outside the regular price reporting cycle.
  - c) Notify the WIC Program each time the price changes for infant formula.
  - d) Maintain prices of individual WIC foods throughout the contract period at or less than the maximum allowable price within the assigned peer group of each store, as determined by the WIC Program.
  - e) Sell WIC foods to WIC customers at the same price charged to other customers.
  - f) Post the prices of WIC foods so they are visible to the public.
11. Payments and claims      The Contractor shall:
- a) Charge the WIC Program for only the WIC foods the customer receives at the time the WIC check is used.
  - b) Allow WIC customers the benefit of sale prices, in-store specials, manufacturer’s coupons, and other discounts, including “buy one, get one free” promotions. Deduct the savings from the actual purchase price of the WIC foods before writing the price on the WIC check.
  - c) Deposit the WIC check within the timeframe stated on the check.
  - d) Reimburse the WIC Program for payments made on improperly handled WIC checks.
  - e) Reimburse the WIC Program for overcharges.
  - f) Pay monetary penalties imposed by the WIC Program.
  - g) Not ask a WIC customer directly or indirectly to pay for payments denied, partially paid, or reclaimed by the WIC Program.
  - h) Not seek restitution through a collection agency for WIC checks not paid by the bank.
  - i) Not ask for or accept cash from a WIC customer as part of a WIC transaction.
  - j) Not give change to a WIC customer as part of a WIC transaction.
  - k) Not impose a surcharge for processing WIC checks.



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- l) Not charge sales tax on WIC transactions.
  - m) Not give credit to a WIC customer or use a WIC check as payment on a credit account.
  - n) Not give a cash refund for food purchased with a WIC check.
  - o) Not give rain checks or IOUs.
12. By signing this contract, the Washington State WIC Program agrees to:
- a) Comply fully with all contract provisions listed in this document, the WIC Retailer Handbook, 7 CFR 246, WAC 246-790, all federal policies and procedures, and any changes made to program requirements during the contract period.
  - b) Notify contractors and retailers of any changes to WIC program requirements in a timely manner.
  - c) Operate a federally approved uniform WIC retail food delivery system statewide.
  - d) Assess program need before authorizing a store to participate in the WIC Program and before imposing a WIC Program disqualification.
  - e) Provide two WIC Retailer Handbooks to each authorized store.
  - f) Provide "WIC Checks Accepted Here" signs to each store for display.
  - g) Provide at least one ID stamp to each authorized store.
  - h) Recover the ID stamp from the store when there is a change in ownership or the store closes, is disqualified, or is otherwise taken off the program.
  - i) Mail training materials at least annually to each authorized store.
  - j) Advertise and conduct training on an ongoing basis at locations statewide.
  - k) Provide each authorized retailer at least two opportunities to attend training during the contract period.
  - l) Not authorize retailers who do not participate in at least one interactive training in a contract period.
  - m) Provide WIC Program information in other languages upon request.
  - n) Conduct on-site visits at authorized retailer locations.
  - o) Provide technical assistance on program requirements.
  - p) Provide timely problem resolution and complaint follow up.
  - q) Assign each retailer to an appropriate peer group.
  - r) Pay retailers for valid and properly transacted WIC checks.
  - s) Act as good stewards of public funds by setting maximum prices for each peer group and adjusting them regularly to reflect market fluctuations.
  - t) Deny payment on or claim reimbursement for the full amount of improperly transacted WIC checks.
  - u) Allow stores the opportunity to correct or justify errors on WIC checks.

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- v) Claim reimbursement for overcharges.
- w) Impose sanctions for overcharges in addition to claiming reimbursement.
- w) Deny payment on checks issued by other state WIC Programs.
- x) Deny requests for payment of retailer bank charges incurred on improperly transacted WIC checks.
- y) Review retailers for compliance with WIC program requirements.
- z) Review retailers for compliance with Retailer Selection Criteria periodically during the contract period.
- aa) End the contract when a retailer fails to comply with the Retailer Selection Criteria any time during the contract period.
- bb) End the contract if a retailer submits false information to the WIC Program.
- cc) Impose corrective actions or sanctions when a retailer fails to comply with WIC program requirements.
- dd) End the contract when a retailer fails to comply with the contract provisions.
- ee) Notify retailer in writing at least fifteen (15) days in advance of contract expiration.
- ff) Refer suspected health and food safety violations to the appropriate regulatory offices.
- gg) Refer complaints of civil rights violations to the Director, Office of Civil Rights, United States Department of Agriculture, Whitten Building, Room 326-W, 14<sup>th</sup> and Independence Avenue, SW, Washington, DC 20250-9410 or call (202) 720-5964 (voice and TDD).

## IT IS FURTHER AGREED THAT:

- 13. WIC program requirements may be modified at any time by the WIC Program to meet new federal or state requirements. The Contractor will be notified in writing of changes in advance of implementation.
- 14. Neither the Department nor the Contractor has any obligation to renew the contract. The Contractor must reapply for WIC authorization after expiration of the contract.
- 15. This contract is not a license, nor is it a right or property interest.
- 16. The contract contains all the terms and conditions agreed upon by the parties. No other understandings, oral or otherwise, regarding the subject matter of this contract are deemed to exist or to bind any of the parties hereto.
- 17. This contract is subject to the written approval of the Contracting Officer of the Department and is not binding until so approved. Only the Contracting Officer or his/her delegate by writing (delegation to be made prior to action) has the expressed, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this contract. Furthermore, any alteration, amendment, modification or waiver of any clause or condition of this contract is not effective or binding unless made in writing and signed by the Contracting Officer or delegate.
- 18. In the event of an inconsistency in this contract, unless otherwise provided herein, the inconsistency is resolved by giving precedence in the following order: (a) Applicable Federal and State Statutes and Regulations, (b) Special Terms and Conditions, (c) General Terms and Conditions, and (d) any other provision of the contract whether incorporated by reference or otherwise.

# Retailer contract

19. All rights and obligations of the parties to this contract shall be subject to and governed by the Special Terms and Conditions and the General Terms and Conditions incorporated in the text of this contract.

## GENERAL TERMS AND CONDITIONS

1. DEFINITIONS - As used in this contract, the following terms shall have the meanings set forth below:
- a) "Agreement" or "Contract" means this written legal document encompassing WIC program requirements that binds the Contractor and the WIC Program.
  - b) "Appeal Hearing" means a formal proceeding to appeal certain program decisions. The appeal hearing process provides a contractor the opportunity to review the case record prior to the hearing, to present its case in an impartial setting, to confront and cross-examine witnesses, and to be represented by counsel.
  - c) "Authorized" or "Authorization" means the retailer has met the selection criteria as required by the United States Department of Agriculture (USDA), received training on WIC program requirements, and signed a contract with the WIC Program.
  - d) "CFR" means the Code of Federal Regulations.
  - e) "Contractor" means the owner, chief executive officer, controller, or other person legally authorized to represent a corporation, partnership, or sole proprietor and obligate that business in a contract.
  - f) "Contracting Officer" means the Contracting Officer of the Department of Health or his/her delegate.
  - g) "Department" means the Washington State Department of Health (DOH) and any of the officers or other officials lawfully representing the department.
  - h) "Disqualification" means the act of revoking the authorization and ending the contract of an authorized retailer permanently or for a specific period of time for noncompliance with WIC program requirements.
  - i) "Effective policy and program to prevent trafficking" means a written document that states what can and cannot be done with WIC checks and the consequences for failing to follow WIC program requirements. Effectiveness is determined by documentation that a retailer has provided this written policy to all employees, including employee signatures verifying they have been advised of this policy and understand the consequences of noncompliance, both for the retailer and the employee, prior to any noncompliance being detected.
  - j) "ID stamp" means the tool each store uses to imprint the retailer's assigned identification number on each WIC check to identify their store.
  - k) "Maximum allowable price" means the highest amount that can be charged for WIC approved foods as determined by the WIC Program based on evaluation of current prices and market conditions.
  - l) "Monetary Penalty" means a sum of money imposed by the WIC Program for noncompliance with program requirements.
  - m) "Notice of Correction" means a written document given to a retailer when the WIC Program discovers noncompliance with program requirements. The Notice of Correction gives the retailer a reasonable period of time to correct the noncompliance without risk of receiving a sanction.
  - n) "Pattern" means more than one documented incident of noncompliance with WIC program requirements in a contract period.

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- o) "Peer group" means a group of retailers who share similar characteristics. The WIC Program considers factors such as location, either rural or urban, and the prices retailers charge when determining a retailer's placement in a peer group.
  - p) "Providing credit" means the retailer takes a WIC check and deposits it for the full amount of the foods listed, even though the customer does not receive all the foods at the time, and tells the customer to come back later for the rest of the food.
  - q) "Redeeming WIC checks outside of authorized channels" means not following the requirements regarding who can accept WIC checks and how to redeem them. Examples include, but may not be limited to:
    - (i) a retailer accepting WIC checks without having a signed contract with the WIC Program,
    - (ii) a retailer using WIC checks to repay debt at a different authorized retailer, or
    - (iii) a retailer who accepts and deposits WIC checks from an unauthorized source.
  - r) "Retailer" or "Store" means an individual store authorized to participate in the WIC Program.
  - s) "Trafficking" means buying or selling WIC checks for cash.
  - t) "Use by date" means a date and code printed on an item that indicates its best quality. This date shows when a product must be either sold or pulled from a shelf.
  - u) "WAC" means Washington Administrative Code.
  - v) "Wholesaler" or "distributor" or "supplier" means a business licensed to sell food and other items to a retailer for resale.
  - w) "WIC check" means a negotiable instrument issued to and used by a WIC customer to obtain specified supplemental WIC foods at an authorized retailer.
  - x) "WIC client" or "WIC customer" means the individual who does the WIC shopping.
  - y) "WIC Program" or "program" means the federally funded Special Supplemental Nutrition Program for Women, Infants, and Children administered in Washington state by the Division of Community and Family Health, Office of Community Wellness and Prevention within the Department of Health.
  - z) "WIC program requirements" or "program requirements" mean the rules contractors and retailers must follow to participate in the WIC Program. The rules are explained in the federal regulations, WAC 246-790, the retailer contract, the Retailer Selection Criteria, the WIC Approved Foods – Minimum Stock Levels, the WIC Retailer Handbook, and the WIC Approved Formula Supplier list.
2. **CONTRACTOR NOT EMPLOYEE OF DEPARTMENT** - The Contractor, his/her employees or agents performing under this agreement are not employees or agents of the department. The Contractor will not hold himself/herself out as, nor claim to be, an officer or employee of the department or of the State of Washington by reason hereof, nor will he/she make any claim of right, privilege or benefit which would accrue to a civil service employee under Chapter 41.06 RCW.
  3. **CONFLICT OF INTEREST** – A retailer is ineligible to participate in the WIC Program if the owner or any person who owns or controls more than a 10% interest in the retailer ownership, partnership, corporation, or other legal entity is employed by a local or state WIC agency or has a spouse, child, parent, or sibling who is employed by a local or state WIC agency.

The WIC Program will end this contract if it identifies a conflict of interest between the Contractor and the department or between the Contractor and a local WIC agency.

# Retailer contract

4. **NONDISCRIMINATION** - During the performance of this agreement, the Contractor must comply with the Americans with Disabilities Act (ADA) of 1990, Public Law 101-336 (also referred to as the "ADA" 28 CFR Part 35), which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.

In addition the Contractor must comply with the Washington State Law against Discrimination, Chapter 49.60 RCW; as well as the department's nondiscrimination plan, and the federal (7 CFR Parts 15, 15a, and 15b) and state laws upon which it is based. Requirements of the nondiscrimination plan are hereby incorporated by reference, but are not limited to:

- a) **Nondiscrimination in Employment:** The Contractor shall not discriminate against any employee or applicant for employment because of race, color, national origin, gender, religion, age, political beliefs, sexual orientation, marital or family status, Vietnam era or disabled veterans status or the presence of any sensory, mental or physical handicap. This requirement does not apply, however, to a religious corporation, association, educational institution or society with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution or society of its activities.

The Contractor shall take affirmative action to ensure that employees are employed and treated during employment without discrimination because of their race, color, national origin, gender, religion, age, political beliefs, sexual orientation, marital or family status, Vietnam era or disabled veterans status or the presence of any sensory, mental or physical handicap. Such action includes, but is not limited to, the following: employment, upgrading, demotion or transfer, recruitment or recruitment selection for training, including apprenticeships and volunteers.

- b) **Nondiscrimination in Services:** The Contractor shall not, on grounds of race, color, national origin, gender, religion, age, political beliefs, sexual orientation, marital or family status, Vietnam era or disabled veterans status or the presence of any sensory, mental or physical handicap:

- (i) Deny an individual any services or other benefits provided under this agreement.
- (ii) Provide any service(s) or other benefits to an individual which are different or provided in a different manner from those provided to others under this agreement.
- (iii) Subject an individual to segregation or separate treatment in any manner related to the receipt of any service(s) or other benefits provided under this agreement.
- (iv) Deny any individual an opportunity to participate in any program provided by this agreement through the provision of services or otherwise, or afford an opportunity to do so which is different from that afforded others under this agreement. The Contractor, in determining:
  - 1) the types of services or other benefits to be provided, or
  - 2) the class of individuals to whom, or the situation in which, such services or other benefits will be provided,
  - 3) the class of individuals to be afforded an opportunity to participate in any services or other benefits,

will not use criteria or methods of administration which have the effect of subjecting individuals to discrimination because of their race, color, national origin, gender, religion, age, political beliefs, sexual orientation, marital or family status, Vietnam era or disabled veterans status or the presence of any sensory, mental or physical handicap.

- c) **Noncompliance with Nondiscrimination Plan** - In the event of the Contractor's noncompliance or refusal to comply with the nondiscrimination plan, this contract may be ended in whole or in part, and the Contractor may be declared ineligible for further contracts with the department. The Contractor shall, however, be given a reasonable time in which to correct this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure described in this contract.

5. **CHANGES AND MODIFICATIONS** - The Contracting Officer may at any time by written notification to the Contractor and without notice to any known guarantor or surety, make changes within the general scope of the services to be performed under the contract. The Contractor must assert any claim for adjustment under this clause within 30 days from the date the Contractor receives the notice of such change.

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The Contracting Officer may, if he/she decides that the facts justify such action, receive and act upon any such claim asserted at any time prior to the expiration of this contract. Failure to agree to any adjustment shall be considered a dispute and will be resolved in accordance with the "Disputes" procedure described in this contract. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.

6. **NOTIFICATION OF CHANGES** - The Contractor shall notify the WIC Program in writing of any change in ownership, store name, location, and/or cessation of operation for any reason at least thirty (30) days before the effective date of such change.

In the event of any closure, change in ownership or change of the legal authority obligating this Contractor, this contract is automatically ended. A Contractor who fails to give the specified notice of closure, change of ownership, store name and/or location is liable for resultant costs incurred by the WIC Program.

7. **HOLD HARMLESS** - The Contractor shall defend, protect and hold harmless the State of Washington, the department, or any employees thereof, from and against all claims, suits or actions arising from any negligent act or omission of the Contractor, employees, agents, and authorized retailers while performing under the terms of this contract.
8. **NONASSIGNABILITY OF CLAIMS** - The Contractor shall not assign or transfer any claim or claims arising under this contract.
9. **TAXES** – All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance, or other expenses for the Contractor or their staff shall be the sole responsibility of the Contractor.
10. **RECORDS, DOCUMENTS, AND REPORTS** - The Contractor must ensure each authorized store maintains records showing all monthly food sales and WIC food item purchases, both wholesale and retail, for the term of this contract, plus a period of one year after the expiration or the end of the contract. These records include, but are not limited to, sales volume data, shelf price records, wholesale receipts, cash and carry receipts, purchase orders, books of account, invoices that identify the quantity and prices of specific WIC foods and the date of purchase, and other pertinent records that substantiate the shelf prices and where, when, and how much of each item was purchased. Records without specific identification of the name of the business where the food was purchased, the date purchased, the quantity, unit price, and name of food purchased are not acceptable.

The Contractor must also ensure each authorized store maintains records showing employee names by store who received training and when they received it for the term of this contract plus a period of one year after the expiration or the end of the contract.

11. **RIGHT OF INSPECTION** - The Contractor shall provide right of access to its records and facilities at all reasonable times to the department, or any of its officers, including WIC Program staff, or to any other authorized agent or official of the State of Washington or the federal government, in order to monitor, to provide training or technical assistance, and to evaluate performance compliance and/or quality assurance under this contract. This includes, but is not limited to, WIC checks in the Contractor's possession, shelf price and inventory records, documentation of food sales, documentation of employee training, documentation demonstrating a policy and program to prevent trafficking, and other program-related records.
12. **SAFEGUARDING OF INFORMATION (CONFIDENTIALITY)** - The use or disclosure by any party of any information concerning a WIC customer obtained in providing service under this agreement shall be subject to Chapter 42.17 RCW and Chapter 70.02 RCW as well as other applicable federal and state statutes and regulations.

In addition, the WIC Program restricts the use and disclosure of retailer information, except for retailer name, address, and authorization status, unless the requester is:



# Retailer contract

- a) a person directly connected with the administration or enforcement of the WIC Program,
- b) a person directly connected with the administration or enforcement of the Food Stamp Program,
- c) a person directly connected with the administration or enforcement of Federal or State law, and
- d) a retailer who is subject to an adverse action.

In the case of a retailer subject to an adverse action, the information released will pertain only to that retailer.

13. **LICENSING AND ACCREDITATION STANDARDS** - The Contractor shall comply with all applicable local, state, and federal licensing and accrediting requirements/standards, necessary in the performance of this contract.
14. **DEBARMENT AND SUSPENSION** – The Contractor certifies they are not debarred, suspended, or otherwise excluded from or ineligible for participation in Federal or State government contracts. The Contractor further certifies they will not subcontract with an entity that is so debarred or suspended.
15. **WAIVER OF DEFAULT** - Waiver of any default shall not be deemed to be a waiver of any subsequent default. Waiver of a breach of any provision of the contract shall not be deemed to be a waiver of any other or subsequent breach and shall not be construed to be a modification of the terms of the agreement unless stated to be such in writing, signed by the Contracting Officer of the department or delegate, and attached to the original contract.
16. **PROGRAM NONCOMPLIANCE** – The WIC Program response to retailer noncompliance with program requirements will vary depending on the severity and frequency of the noncompliant activity. Types of responses to noncompliance include, but are not limited to, verbal or written technical assistance, written notice of correction, monetary penalty, ending of the contract for default, disqualification and referral for prosecution. The Contractor may be required to implement and provide documentation of corrective action. Reimbursement to the WIC Program may also be required.

The WIC Program will give the Contractor written notice not less than fifteen (15) days prior to the effective date of the action, except for the following reasons:

- Denial of authorization,
- Permanent disqualification,
- False information provided in connection with an application for authorization.

In these cases, the WIC Program will end the contract effective the date the Contractor receives the notice.

The notice will explain what action is being taken, the effective date of the action, and the procedure for requesting an appeal hearing, if the action being taken is one that can be appealed.

A Contractor who commits fraud or abuse of the WIC Program is liable to prosecution under applicable federal, state or local laws. Those who have willfully misapplied, stolen or fraudulently obtained program funds will be subject to a fine of not more than \$25,000 or imprisonment for not more than five years or both, if the value of the funds is \$100 or more. If the value is less than \$100, the penalties are a fine of not more than \$1,000 or imprisonment for not more than one year or both.

# Retailer contract

17. DISQUALIFICATION - The WIC Program must sanction a retailer for the following:

	Violation	Length of Disqualification
Mandatory disqualification – no opportunity for correction	Disqualification from the Food Stamp Program by the USDA Food and Nutrition Service.	Time period corresponding to Food Stamp Program disqualification. (The WIC disqualification may begin at a later date than the Food Stamp Program disqualification).
	Conviction for trafficking in WIC checks or exchanging firearms, ammunition, explosives, or controlled substances for WIC checks.	Permanent
	One incidence of trafficking in WIC checks.	Six years
	One incidence of exchanging firearms, ammunition, explosives, or controlled substances for WIC checks.	Six years
	One incidence of exchanging alcohol, alcoholic beverages, or tobacco products for WIC checks.	Three years
Notification and opportunity to correct before disqualification or monetary penalty	A documented pattern of charging WIC for food not available to buy and having no documentation of having had enough food on the shelf for WIC customers to buy.	Three years
	A documented pattern of overcharging, including charging more than the shelf price, and charging more than for non-WIC customers.	Three years
	A documented pattern of charging for food not received by the WIC customer	Three years
	A documented pattern of redeeming WIC checks outside of authorized channels.	Three years
	A documented pattern of providing credit or non-food items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances, in exchange for WIC checks.	Three years
	A documented pattern of selling non-approved foods or selling more than the amount of food listed on the WIC check.	One year
	A documented pattern of purchasing infant formula from a person or business other than a wholesaler, distributor, retailer, or supplier approved by the WIC Program	One year
	A documented pattern of having no documentation that identifies where infant formula was purchased.	One year

If the WIC Program determines disqualifying a retailer will prevent clients from getting their WIC foods, the WIC Program may impose a monetary penalty instead of a disqualification. The WIC Program will calculate the amount of the monetary penalty according to the formula in 7 CFR 246.12(l)(x) and WAC 246-790-100 (10).



# Retailer contract

When a retailer who has already been sanctioned for noncompliance is found out of compliance a second time, the department must double the sanction. A monetary penalty instead of disqualification is not an option for third or subsequent incidences of noncompliance.

Disqualification from the WIC Program may result in disqualification from the Food Stamp Program and is not subject to administrative or judicial review under the Food Stamp Program.

WIC may disqualify a retailer who has received a civil money penalty (CMP) instead of disqualification for hardship from the Food Stamp Program.

Disqualification from the WIC Program in another state for one or more of the federally mandated sanctions may result in disqualification from the Washington State WIC Program.

Individual stores covered under one contract may be disqualified by contract amendment without affecting the remainder of the stores covered under the contract.

The retailer must reapply to be considered for participation in the WIC Program after a period of disqualification.

18. DISPUTES – A request for an appeal hearing shall be in writing and shall:
- state the issue,
  - contain a summary of the Contractor's position on the issue, indicating whether each charge is admitted, denied, or not contested,
  - state the name and address of the Contractor requesting the appeal hearing,
  - state the name and address of the attorney representing the Contractor, if applicable,
  - state the Contractor's need for an interpreter or other special accommodations, if necessary, and
  - have a copy of the notice from the department attached.

A request for an appeal hearing must be filed at the Department of Health, Adjudicative Service Unit, PO Box 47879, Olympia, WA 98504-7879, and a copy must be sent at the same time to the WIC Program at PO Box 47886, Olympia, WA 98504-7886. The request must be made in writing within twenty (20) days of the date the retailer received the notice.

The Adjudicative Service Unit will give the Contractor adequate notice of the scheduled time and location for the hearing.

The decision concerning the appeal will be made within sixty (60) days from the date the request for the appeal hearing is received by the Adjudicative Service Unit. The time may be extended by as many days as all parties agree to with good cause.

When the action being appealed is disqualification, the retailer shall stop redeeming WIC checks effective the date specified in the notice and shall not accept WIC checks during the appeal period. The department will not pay any WIC checks redeemed by a retailer during a period of disqualification.

The parties agree this appeal hearing process shall precede any action in a judicial or quasi-judicial tribunal.

The Contractor may not appeal:

- expiration of a WIC contract,
- the validity or appropriateness of criteria used to determine program need,
- determinations regarding program need,
- the validity or appropriateness of retailer limiting or selection criteria,
- the validity or appropriateness of the WIC Program's criteria for determining whether a retailer receives or is expected to receive more than fifty percent (50%) of their total annual food sales from WIC transactions.
- determination of whether the retailer had an effective policy and program in place to prevent trafficking and whether ownership was aware of, approved of, or was involved in the violation,

# Retailer contract

- g) disputes regarding check payments or claims, other than the opportunity to justify or correct an overcharge or other check error, and
- h) disqualification based on a Food Stamp Program disqualification.

19. **TERMINATION FOR DEFAULT** - Failure of the Contractor to perform any of the provisions set forth in this contract may result in termination for default. The Contractor will be notified verbally and/or in writing of the default and given the opportunity to correct the violation or failure within 15 business days. If the failure or violation is not corrected or the Contractor refuses to correct the failure or violation, this contract may be verbally ended immediately. Such termination will be followed with written notice. In such event, the Contractor is liable for resultant costs incurred by the WIC Program.
20. **TERMINATION FOR CONVENIENCE** - Either of the parties hereto may end this contract upon submission of a written notice to the other party thirty (30) days in advance. Termination notices from the Contractor shall be addressed to the Washington State Department of Health, WIC Program, PO Box 47886, Olympia, WA 98504-7886.
21. **OVERPAYMENTS AND IMPROPER CHARGES** - The WIC Program may deny payment to, seek reimbursement for, or impose monetary penalties for noncompliance with WIC program requirements or the terms of this contract. The WIC Program will seek reimbursement for payments already made on WIC checks not properly transacted and for documented overcharges. In addition, the program shall reclaim any monies obtained by the Contractor in violation of these provisions or any other federal and state regulations.

Monetary penalties and reimbursements shall be paid to the revenue section of the department within the time period specified in the notice. Retailers who fail to pay within the time period specified in the notice shall be referred to a collection agency, may be referred to local authorities for prosecution, and will be disqualified for the length of time corresponding to the type of noncompliance for which the monetary penalty was imposed.

22. **GOVERNING LAW** – This contract is governed by the laws of the State of Washington.
23. **VENUE** – The venue of any legal action or suit concerning this contract shall be the Thurston County Superior Court.
24. **SEVERABILITY** - If any provision of this agreement or any provision of any document incorporated by reference shall be held invalid, such invalidity shall not affect the other provisions of this agreement which can be given effect without the invalid provision, and to this end the provisions of this agreement are declared to be severable.

The period of performance under this contract is from **April 1, 2006** through **March 31, 2009** unless ended sooner.

IN WITNESS WHEREOF: The Department and the Contractor have signed this agreement.

Contractor: <small>Name of Business</small>	Department of Health
By: <small>Signature of Authorized Person</small>	By:
Its: <small>Title</small>	
Date ____/____/____	Date ____/____/____

The Attorney General has approved this contract as to form.

# WIC Washington Administrative Code

## WASHINGTON ADMINISTRATIVE CODE 246-790 – Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

### WAC 246-790-010 Definitions.

- (1) "Alternate endorser" means a person authorized by the WIC client to pick up WIC checks at the local WIC agency and use the WIC checks at the retailer when the client is unable to do so.
- (2) "Appeal hearing" means a formal proceeding to appeal certain program decisions. The appeal hearing process provides a contractor the opportunity to review the case record prior to the hearing, to present its case in an impartial setting, to confront and cross-examine witnesses, and to be represented by counsel.
- (3) "Applicant retailer" means any retailer, or person representing a retailer, requesting authorization to participate in the WIC program who has submitted a completed request for authorization packet.
- (4) "Authorized" or "authorization" means the retailer has met the selection criteria as required by the United States Department of Agriculture (USDA), received training on WIC program requirements, and signed a contract with the WIC program.
- (5) "CFR" means the Code of Federal Regulations.
- (6) "Contract" or "retailer contract" means a written legal document which encompasses WIC program requirements that bind the contractor and the WIC program.
- (7) "Contractor" means the owner, chief executive officer, controller, or other person legally authorized to represent their corporation, firm, or business and obligate a retailer to a contract.
- (8) "Covertly" means in secret, undercover, or not openly announced.
- (9) "Current shelf life" or "pull date" or "use by date" means a date and code printed on an item that indicates its best quality. This date shows when a product must be either sold or pulled from a shelf.
- (10) "Department" means the Washington state department of health and any of the officers or other officials lawfully representing the department.
- (11) "Disqualification" means the act of revoking the authorization and ending the contract of an authorized retailer permanently or for a specific period of time for noncompliance with WIC program requirements.
- (12) "Effective policy and program to prevent trafficking" means a written document that states what can and cannot be done with WIC checks and the consequences for failing to follow program requirements. Effectiveness is determined by documentation that a retailer has provided this written policy to all employees, including employees' signatures verifying they have been advised of the policy and understand the consequences of noncompliance, both for the retailer and for the employee, prior to any noncompliance being detected.
- (13) "Food company" means a manufacturer or broker of food items.
- (14) "Food Stamp EBT" means the electronic system that allows a recipient to authorize transfer of their government food benefits from a Federal account to a retailer account to pay for products they buy.
- (15) "Local WIC agency" means the contracted clinic or agency where a client receives WIC checks.
- (16) "Maximum price" means the highest amount that can be charged for WIC approved foods as determined by the WIC program based on evaluation of current prices and market conditions.
- (17) "Monetary penalty" means a sum of money imposed by the WIC program for noncompliance with program requirements.
- (18) "Notice of correction" means a written document given to a retailer when the WIC program discovers noncompliance with program requirements. The notice of correction gives the retailer a reasonable period of time to correct the noncompliance without risk of receiving a sanction.
- (19) "Pattern" means more than one documented incidence of noncompliance with WIC program requirements in a contract period.
- (20) "Peer group" means a group of retailers who share similar characteristics. The WIC program considers factors such as location, either rural or urban, and the prices retailers charge when determining a retailer's placement in a peer group.
- (21) "Providing credit" means the retailer takes a WIC check and deposits it for the full amount of the foods listed, even though the client does not receive all the foods at the time, and tells the client to come back later for the rest of the food.
- (22) "Reauthorization" or "subsequent authorization" means the process when a retailer, who has a contract with the WIC program which is expiring, has reapplied, met the selection criteria, and signed another contract with the WIC program.
- (23) "Redeeming WIC checks outside of authorized channels" means not following the requirements regarding who can accept WIC checks and how to redeem them. Examples include, but may not be limited to:
  - (a) A retailer accepting WIC checks without having a signed contract with the WIC program;
  - (b) A retailer using WIC checks to repay debt at a different authorized retailer, or
  - (c) A retailer who accepts and deposits WIC checks from an unauthorized source.
- (24) "Rights and responsibilities" means the rights a client has within the WIC program and the rules clients and caregivers must follow to participate in the program. The rights and responsibilities are explained in a document the client, caregiver, or alternate endorser must sign.
- (25) "Supplemental WIC foods" or "WIC approved foods" means those foods containing nutrients determined to be beneficial for pregnant, breastfeeding, and postpartum women, infants, and children, as prescribed by federal regulations and state requirements, and, as approved by the Washington state WIC program.

# WIC Washington Administrative Code

- (26) "Trafficking" means buying or selling WIC checks for cash.
- (27) "WIC program" or "program" means the federally funded special supplemental nutrition program for women, infants, and children administered in Washington state by the department of health.
- (28) "WIC program requirements" or "program requirements" mean the rules contractors and retailers must follow to participate in the WIC program. The rules are explained in the federal regulations, the retailer contract, the *Retailer Selection Criteria*, the *WIC Approved Foods - Minimum Stock Levels*, the *WIC Retailer Handbook*, and the WIC approved formula supplier list.
- (29) "WIC retailer" or "retailer" means an individual store authorized to participate in the WIC program.
- (30) "Wholesaler" or "distributor" or "supplier" means a business licensed to sell(s) food and other items to a retailer for resale.
- (31) "WIC check" means a negotiable instrument issued to and used by a WIC client, caregiver, or alternate endorser to obtain specified supplemental WIC foods from a WIC retailer.
- (32) "WIC client" or "client" means a woman who is pregnant, breastfeeding, or postpartum, an infant, or a young child receiving WIC benefits.
- (33) "WIC only store" means a for-profit business model that focuses primarily on stocking WIC food items and serving WIC customers.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## WAC 246-790-050 What is the WIC program?

- (1) The WIC program in the state of Washington is administered by the department of health.
- (2) The WIC program is a federally funded program established in 1972 by an amendment to the Child Nutrition Act of 1966. The purpose of the program is to provide nutrition and health assessment; nutrition education; nutritious food; breastfeeding counseling; and referral services to pregnant, breastfeeding, and postpartum women, infants, and young children in specific risk categories.
- (3) Federal regulations governing the WIC program (7 CFR Part 246) require implementation of standards and procedures to guide the state's administration of the WIC program and are hereby incorporated in this rule by reference. These regulations define the rights, responsibilities, and legal procedures of WIC employees, clients, persons acting on behalf of a client, and retailers. They are designed to promote:
  - (a) High quality nutrition services;
  - (b) Consistent application of policies and procedures for eligibility determination;
  - (c) Consistent application of policies and procedures for food benefit issuance and delivery; and
  - (d) WIC program compliance.
- (4) The WIC program implements policies and procedures stated in program manuals, handbooks, contracts, forms, and other program documents approved by the USDA Food and Nutrition Service.
- (5) The WIC program may impose sanctions against WIC clients for not following WIC program rules stated on the WIC rights and responsibilities.
- (6) The WIC program may impose monetary penalties against persons who misuse WIC checks or WIC food but who are not WIC clients.

AMENDATORY SECTION (Amending WSR 00-13-009, filed 6/9/00, effective 7/10/00)

## WAC 246-790-060 What are WIC authorized foods?

- (1) WIC eligible women, infants, and children receive supplemental WIC foods from one or more of the following food categories. These foods must meet nutritional standards established by federal regulations and state requirements.
- (2) The food categories are:
  - (a) Cereals,
  - (b) Juices,
  - (c) Infant formula,
  - (d) Infant cereal,
  - (e) Liquid nutritional supplements,
  - (f) Milk,
  - (g) Eggs,
  - (h) Dry beans and peas,
  - (i) Peanut butter,
  - (j) Cheese,
  - (k) Tuna, and
  - (l) Carrots.
- (3) Additionally, the WIC program approves a reasonable selection of nutritious foods within each food category with the following factors in mind: Cost, client health, client preference, easy identification of approved foods, and consistency with sound buying practices.
- (4) The WIC program limits the selection of WIC approved foods in accordance with federal cost containment requirements, including, but not limited to, the competitive procurement of a single manufacturer's infant formula.

# WIC Washington Administrative Code

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-065 What is the process for getting a food WIC authorized?**

- (1) The procedure for authorizing a food is:
  - (a) A food company or other entity submits a written request to the WIC program asking for approval of a food.
  - (b) A food company must provide:
    - (i) Package flats or labels, information on package sizes and prices, and a summary of current distribution, including identification of the wholesaler(s) carrying the food; and
    - (ii) Dates when a new food replaces the current food on store shelves when there is a change in formulation.
  - (c) The WIC program verifies that a food considered for approval fits within one of the authorized food categories, meets the federal requirements of nutritional standards, is currently available to retailers, and has been available to retailers for at least one year;
  - (d) The WIC program periodically surveys local WIC agency staff and clients for their recommendations regarding need and demand for the food;
  - (e) The WIC program reviews data and recommendations and notifies the food company whether or not a food is approved.
- (2) Food companies must notify the WIC program in writing of any changes in product formulation, product name, packaging, label design, size, or availability. A food company must notify the WIC program of any changes before any Washington state wholesaler, distributor, or supplier receives the new product.
- (3) If a food company fails to notify the WIC program of any changes, the WIC program may revoke or deny WIC approval of the product.
- (4) The WIC program may require a food company to submit a statement guaranteeing a minimum period of time during which a food will be available in the state of Washington.
- (5) The WIC program refuses to approve any food that contradicts the nutrition principles promoted by the WIC program.
- (6) The WIC program may limit the number of approved foods within a food category.
- (7) The WIC program may reassess any WIC approved food at any time.
- (8) The WIC program may evaluate a food for approval outside of the three-year food review cycle if necessary.
- (9) A food company or other entity must obtain written approval from the WIC program before using the term "WIC approved" or the WIC program logo.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-070 How do I become a WIC retailer?**

- (1) Retailers interested in participating in the WIC program must apply for authorization.
- (2) Applications for WIC authorization are accepted during the open application period held before the start of each new contract cycle. Exceptions to this time frame are considered when a WIC authorized retailer closes or ownership changes. Exceptions are based solely on the program's determination of program need and effective administration of the program. The WIC program may further limit acceptance of new applications as needed.
- (3) The WIC program may require applicant retailers to provide shelf price records and inventory records showing all purchases, both wholesale and retail, including but not limited to, wholesale receipts, cash and carry receipts, purchase orders, books of account, invoices that identify the quantity and prices of specific WIC foods and other pertinent records that substantiate shelf prices and where, when, and how much of each item was purchased. Records without specific identification of the name of the business where the food was purchased, the date purchased, the quantity, unit price, and name of food purchased are not acceptable as evidence.
- (4) The WIC program conducts on-site preauthorization visits to verify the information provided on the application, to evaluate the shelf prices and inventory of WIC foods, and to provide training on WIC requirements.
- (5) The WIC program will not offer a contract to a retailer if, during the on-site preauthorization visit, they are unable to satisfactorily verify the information provided on the application or the retailer fails to participate in the initial training offered.
- (6) The WIC program authorizes a sufficient number, type, and distribution of retailers to meet program need and effectively administer the program.
- (7) The WIC Program will not authorize for-profit WIC only stores.
- (8) Per 7 CFR 246.12 (h)(3)(xxi), WIC program authorization is not a right or property interest. Authorization is discretionary and is based solely on the WIC program's determination of program need and effective administration of the program.
- (9) The WIC program bases selection of authorized retailers on the following:
  - (a) Program need. The program mission is to improve the lifelong health and nutrition of women, infants, and children in Washington state. Meeting this mission is the foundation for selection of authorized retailers. Retailers are selected to provide clients reasonable access to the nutrition provided by WIC foods.
  - (b) Check volume.
    - (i) Retailers applying for reauthorization must take an average of at least forty checks per month in a six-month period.
    - (ii) Retailers with no WIC history will be on probation for one year or to the end of the contract period, whichever comes first. The WIC program will evaluate the retailer's check volume at the end of the probation period and may take action to end the contract.

# WIC Washington Administrative Code

- (c) WIC approved foods.
  - (i) Retailers must have on their shelves:
    - (A) At least the minimum quantities of WIC approved foods as specified in the WIC approved foods - Minimum stock levels when they apply.
    - (B) The minimum quantity of the WIC contract infant formulas for at least one to two infants, using the quantities specified in the WIC Approved Foods - Minimum Stock Levels.
    - (C) At least the minimum variety of items from all WIC food categories as specified in the *WIC Approved Foods - Minimum Stock Levels*.
    - (D) WIC approved foods with current shelf lives.
  - (ii) Retailers must:
    - (A) Maintain minimum stock levels throughout the contract period.
    - (B) Purchase infant formula only from a wholesaler, distributor, retailer, or supplier approved by the WIC program.
    - (C) Be prepared to provide documentation identifying where they buy infant formula.
- (d) Prices of WIC approved foods.  
A retailer must agree to and maintain prices of individual WIC foods at or less than the maximum price within their assigned peer group as determined by the WIC program.
- (e) Business operations.  
Retailers must:
  - (i) Have a valid Washington state tax registration (UBI) number. Oregon and Idaho retailers must have all valid licenses required by their respective state.
  - (ii) Have an activated food stamp authorization number. Pharmacies are exempt from this requirement.
  - (iii) Operate from a fixed, permanent location.
  - (iv) Be a full line/full service retailer that stocks a variety of staple foods on a continuous basis in addition to WIC approved foods. Staple foods include fresh, frozen, and/or canned unbreaded meat, poultry, fruits, and vegetables, dairy products, and grain products, such as bread, rice, and pasta.
  - (v) Be open for business at least eight hours per day, six days per week.
  - (vi) Accept cash and food stamp EBT.
  - (vii) Receive or be expected to receive no more than fifty percent of their total annual food sales from WIC transactions.
- (f) Business integrity.
  - (i) The WIC program will not authorize a retailer if, in the last six years, the retailer has been disqualified from WIC or the food stamp program or has been assessed a monetary penalty instead of a food stamp disqualification. Exceptions may be considered based on program need.
  - (ii) An owner, officer, or partner of a retailer must not have sold a store in order to avoid a WIC sanction.
  - (iii) The WIC program will deny or revoke a retailer's WIC authorization if any of the owners, officers, partners, or managers has been convicted of or had a civil judgment for fraud, antitrust violations, embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, receiving stolen property, making false claims, or obstruction of justice in the last six years.
- (g) Compliance with the WIC contract.
  - (i) A retailer must attend training on WIC requirements at least once per contract period.
  - (ii) A retailer must comply with all program requirements.
- (10) A retailer must meet all the selection criteria to be considered for WIC authorization and, once authorized, must continue to meet the selection criteria throughout the term of the contract. Exceptions may be made for pharmacies needed to supply special infant formulas or retailers in isolated areas.
- (11) The WIC program must deny a retailer authorization for failure to meet any of the stated selection criteria.
- (12) The WIC program may review an authorized retailer's compliance with the retailer selection criteria any time in the contract period and must end the contract of any retailer which fails to meet them.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## WAC 246-790-080 What do I need to know about WIC retailer contracts?

- (1) All selected retailers must enter into written contracts with the WIC program. The contractor and the designee of the contracting officer of the department of health must each sign the contract.
- (2) The contract lists all authorized retailer locations by name and address. Individual retailers may be added, changed, disqualified, or deleted by contract amendment without affecting the remaining authorized retailer locations.
- (3) The WIC program issues contracts for a maximum period of three years.
- (4) Neither the WIC program nor the contractor is obligated to recontract. The WIC program will notify contractors and retailers in writing not less than fifteen days before the expiration of a contract.



# WIC Washington Administrative Code

- (5) Authorization is valid for no longer than the period stated in the contract. The retailer must reapply to be considered for subsequent authorization.
- (6) The contractor or the WIC program may end the contract at any time by submitting a written notice to the other party with thirty days advance notice.
- (7) The contract is null and void in the event of a retailer closure or change in ownership.
- (8) The contractor cannot voluntarily withdraw from participating in the WIC program in order to avoid being disqualified.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-085 What is expected of WIC retailers?**

- (1) Retailers must comply with WIC program requirements and terms of the retailer contract, including any changes that occur during the contract period.
- (2) The WIC program will notify contractors and retailers of any changes to WIC program requirements in a timely manner.
- (3) Retailers must provide access to their facilities at all reasonable times for WIC program representatives to monitor, to provide training or technical assistance, and to evaluate performance, compliance, and quality assurance.
- (4) Retailers must provide access to redeemed WIC checks for the purpose of review by the program representative during any on-site visit.
- (5) Retailers must maintain inventory records, and provide WIC program representatives access to those records on request, showing all purchases, both wholesale and retail, for a period of at least one year after the expiration of the contract with the WIC program. These inventory records include, but are not limited to, shelf price records, wholesale receipts, cash and carry receipts, purchase orders, books of account, invoices that identify the quantity and prices of specific WIC foods, and other pertinent records that substantiate shelf prices and where, when, and how much of each item was purchased. Records without specific identification of the name of the business where the food was purchased, the date purchased, the quantity, unit price, and name of food purchased are not acceptable as evidence.
- (6) Contractors and retailers must observe time lines, such as deadlines for submitting price lists and returning properly signed contracts. Failure to do so may result in denial or termination of authorization.
- (7) Retailers must take corrective action as directed by the WIC program.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-090 How are WIC retailer contracts monitored?**

- (1) The WIC program reviews retailers to monitor compliance with program requirements in the following ways.
- (2) Preauthorization visits.
  - (a) Visit is scheduled in advance.
  - (b) The WIC program representative confirms the information on the application, including information on WIC food stock levels and shelf prices.
  - (c) The WIC program representative provides training on the purpose of the program, WIC approved foods, required minimum stock levels, check handling procedures, sanctions, complaints, and claims.
  - (d) The retailer signs the preauthorization visit form verifying receipt of the training, understanding of program requirements, and the commitment to train store personnel.
- (3) Compliance visits.
  - (a) Visit may or may not be scheduled in advance;
  - (b) The WIC program representative may do some or all of the following during a visit: Review WIC check handling procedures, WIC food stock levels, pull dates, shelf prices, WIC checks negotiated but not yet deposited, shelf price records, wholesale receipts, cash and carry receipts, purchase orders, books of account, invoices that identify the quantity and prices of specific WIC foods, and other pertinent records that substantiate the name of the business where the food was purchased, the date purchased, the quantities purchased, and prices charged; provide training or technical assistance; and verify implementation of a corrective action plan.
  - (c) The WIC program representative documents the name of the retailer, the name of the program representative, the names of all persons interviewed, the date of the visit, any problems or concerns detected, any corrective action plan required if problems are detected, and the signatures of the program representative and the retailer.
  - (d) The WIC program representative follows up in writing with the retailer if the retailer needs to correct a problem discovered during the compliance visit.
- (4) Compliance purchases.
  - (a) The WIC program representative acts covertly;
  - (b) The program representative may make a purchase using WIC checks or may attempt trafficking;
  - (c) The WIC program representative completes a report itemizing information including, but not limited to, a description of the checker involved, the time and date of the transaction, the number of check stands opened and closed, other customers in line, exact items purchased and/or refused, the prices charged, comments of the checker, observations of the investigator or the investigative aide, any stock deficiencies noted, any other pertinent information, and the signature of the investigator.

# WIC Washington Administrative Code

- (5) Price audits. The WIC program reviews actual prices charged by retailers on an ongoing basis.
- (6) Inventory audits.
  - (a) The WIC program representative requests inventory records showing all purchases, both wholesale and retail.
  - (b) Acceptable forms of inventory records include wholesale receipts, cash and carry receipts, purchase orders, books of account, invoices that identify the quantity and prices of specific WIC foods, and other pertinent records that verify prices, name of the business where the food was purchased, the date purchased, and the quantity purchased.
  - (c) Records without specific identification of the name of the business where the food was purchased, the date purchased, quantity, unit price, and name of food are not acceptable as evidence.
  - (d) The WIC program representative compares the inventory records provided by the retailer with information from preaudit on-site visits and the WIC data system to determine any shortfalls in inventory compared to WIC redemptions.
- (7) Selection criteria reviews.
  - (a) The WIC program may review a retailer's compliance with the retailer selection criteria any time during the contract period.
  - (b) The WIC program will review a new retailer's compliance with the retailer selection criteria at the end of their probation period.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-100 What happens if I don't comply with the WIC retailer contract or requirements?**

- (1) Retailers who do not comply with WIC program requirements are at risk of losing their contract with the WIC program and may be liable to prosecution in accordance with federal regulations (7 CFR 246.12 and 7 CFR 246.23). Examples of noncompliance include, but are not limited to:
  - (a) Buying or selling WIC checks for cash (trafficking);
  - (b) Selling firearms, ammunition, explosives, or controlled substances for WIC checks;
  - (c) Selling alcohol, alcoholic beverages, or tobacco products for WIC checks;
  - (d) Buying infant formula from a wholesaler, distributor, retailer, or supplier not approved by the WIC program;
  - (e) Charging WIC for food not available to buy and having no documentation of having had enough food on the shelf for WIC clients to buy;
  - (f) Providing unauthorized food or other items to WIC clients instead of, or in addition to, WIC approved foods;
  - (g) Selling or offering to sell foods with expired shelf lives;
  - (h) Selling more food than allowed on the WIC check;
  - (i) Charging the WIC program for foods not received by the client;
  - (j) Charging the WIC program more for WIC approved foods than other customers are charged for the same food;
  - (k) Providing credit or nonfood items to clients in a WIC transaction;
  - (l) Asking WIC clients for cash or giving change in a WIC transaction;
  - (m) Redeeming WIC checks outside of authorized channels. For example, a retailer accepting WIC checks without having a signed contract with the WIC program; a retailer using WIC checks to repay debt at a different authorized retailer; or a retailer who receives and deposits the WIC checks from an unauthorized source.
  - (n) Failing to write the actual purchase price on the WIC check at the time of the WIC transaction;
  - (o) Failing to maintain adequate stock of WIC foods on the retailer's shelves; and
  - (p) Providing false information in connection with an application for WIC authorization.
- (2) A retailer who willfully misapplies, steals, or fraudulently obtains WIC program funds valued at more than one hundred dollars will be subject to a monetary penalty of not more than twenty-five thousand dollars, imprisonment up to five years, or both. If the value of the funds is less than one hundred dollars, the sanctions are a monetary penalty of not more than one thousand dollars, imprisonment up to one year, or both.
- (3) The WIC program may deny payment to, impose monetary penalties on, and disqualify retailers for noncompliance with WIC program requirements and terms of the retailer contract.
- (4) The WIC program must seek reimbursement from retailers for documented overcharges and for payments made on improperly handled WIC checks.
- (5) Retailers who do not comply with WIC program requirements, except for the offenses listed in the first five rows of the table in subsection (7) of this section, will be notified by the WIC program and given the opportunity to correct the problem. Methods of notification include, but are not limited to, technical assistance contacts and notice of correction letters. After the opportunity for corrective action, a retailer who still does not comply will be subject to sanctions.
- (6) When the WIC program denies payment, imposes a monetary penalty, requests reimbursement, or disqualifies a retailer, the program must give the contractor written notice not less than fifteen days prior to the effective date of the action. Denial of authorization and permanent disqualification are effective the date the contractor receives the notice. Every notice must state what action is being taken, the effective date of the action, and the procedure for requesting an appeal hearing if the action is one that can be appealed.



# WIC Washington Administrative Code

(7) Per 7 CFR 246.12(l), the WIC program must sanction a retailer for the following:

	Violation	Length of Disqualification
Mandatory disqualification - no opportunity for correction	Disqualification from the food stamp program by the USDA food and nutrition service;	Time period corresponding to food stamp program disqualification
	Conviction for trafficking in WIC checks or exchanging firearms, ammunition, explosives, or controlled substances for WIC checks;	Permanent
	One incidence of trafficking in WIC checks;	Six years
	One incidence of exchanging firearms, ammunition, explosives, or controlled substances for WIC checks;	Six years
	One incidence of exchanging alcohol, alcoholic beverages, or tobacco products for WIC checks;	Three years
Notification and opportunity to correct before disqualification or monetary penalty	A documented pattern of charging WIC for food not available to buy and having no documentation of having had enough food on the shelf for WIC clients to buy;	Three years
	A documented pattern of overcharging, including charging more than the shelf price and charging more than for non-WIC customers;	Three years
	A documented pattern of charging for food not received by the client;	Three years
	A documented pattern of redeeming WIC checks outside of authorized channels;	Three years
	A documented pattern of providing credit or nonfood items, other than alcohol, alcoholic beverages, tobacco products, cash, firearms, ammunition, explosives, or controlled substances as defined in 21 N.S.C. 802, in exchange for WIC checks;	Three years
	A documented pattern of selling unauthorized foods or selling more than the amount of food listed on the WIC check.	One year
	A documented pattern of purchasing infant formula from a person or business other than a wholesaler, distributor, retailer, or supplier approved by the WIC program.	One year
	A documented pattern of having no documentation that identifies where infant formula was purchased.	One year

- (8) At the end of the disqualification period, the retailer must reapply to be considered for authorization.
- (9) Prior to disqualifying a retailer, the WIC program considers program need. If the WIC program determines a retailer's disqualification prevents clients from getting their WIC foods, the WIC program may impose a monetary penalty instead of disqualification.
- (10) Monetary penalties are calculated in accordance with federal regulations using the following formula:
  - (a) Average the retailer's monthly volume of WIC business over at least the six-month period ending with the month preceding when the notice to the retailer is dated;
  - (b) Multiply the average by ten percent (.10);
  - (c) Multiply that number by the number of months for which the store would be disqualified. This is the amount of the monetary penalty.
- (11) Monetary penalties must not exceed ten thousand dollars for each documented violation, except for convictions for trafficking WIC checks and for selling firearms, ammunition, explosives, or controlled substances for WIC checks. For these violations requiring permanent disqualification, the monetary penalty is eleven thousand dollars. If several violations are documented during the course of one investigation, the WIC program must impose a monetary penalty for each violation, not to exceed a total of forty thousand dollars, except for convictions for trafficking WIC checks and for selling firearms, ammunition, explosives, or controlled substances for WIC checks. In this case, the monetary penalty is not to exceed forty-four thousand dollars.
- (12) Monetary penalties and reimbursements must be paid to the revenue section of the department within the time period specified in the notice. Retailers who fail to pay within the time period specified in the notice will be referred to a collection agency and disqualified for the length of time corresponding to the violation.

# WIC Washington Administrative Code

- (13) When a retailer who has already been sanctioned for noncompliance is found out of compliance again, the WIC program must double the sanction. A monetary penalty instead of disqualification is not an option for third or subsequent incidences of noncompliance.
- (14) A contractor who fails to notify the WIC program of closure or a change in ownership, retailer name, and/or location is liable for resultant costs incurred by the WIC program.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-120 How do I appeal a WIC decision I don't agree with?**

- (1) A request for an appeal hearing must be in writing and must:
  - (a) State the issue;
  - (b) Contain a summary of the retailer's position on the issue, indicating whether each charge is admitted, denied, or not contested;
  - (c) State the name and address of the contractor and retailer requesting the appeal hearing;
  - (d) State the name and address of the attorney representing the retailer, if applicable;
  - (e) State the retailer's need for an interpreter or other special accommodations, if necessary; and
  - (f) Have a copy of the notice from the program attached.
- (2) A request for an appeal hearing must be filed at the Department of Health, Adjudicative Service Unit, P.O. Box 47879, Olympia, WA 98504-7879, with a copy sent to the WIC program at P.O. Box 47886, Olympia, WA 98504-7886. The request must be made in writing within twenty days of the date the retailer received the notice.
- (3) The decision concerning the appeal must be made within ninety days from the date the request for an appeal hearing was received by the adjudicative service unit. The time for rendering the decision may be extended by as many days as all parties agree to with good cause.
- (4) The retailer may not appeal:
  - (a) Expiration of a WIC contract;
  - (b) The validity or appropriateness of criteria used to determine program need and effective administration of the program;
  - (c) Determinations regarding program need and effective administration of the program;
  - (d) The validity or appropriateness of retailer limiting or selection criteria;
  - (e) The validity or appropriateness of the WIC program's criteria for determining whether a retailer receives or is expected to receive more than fifty percent of their total annual food sales from WIC transactions.
  - (f) The WIC program's determination whether the retailer had an effective policy and program in place to prevent trafficking and whether ownership was aware of, approved of, or was involved in the violation;
  - (g) Disputes regarding check payments and claims (other than the opportunity to justify or correct an overcharge or other check error); and
  - (h) Disqualification based on a food stamp program disqualification.
- (5) When the action being appealed is disqualification, the retailer must cease redeeming WIC checks effective the date specified in the notice and must not accept WIC checks during the appeal period. The WIC program will not pay any WIC checks redeemed by a retailer during a period of disqualification.

AMENDATORY SECTION (Amending WSR 02-11-107, filed 5/20/02, effective 6/20/02)

## **WAC 246-790-130 How does the WIC program get input from the food industry?**

- (1) The WIC program may establish a retailer advisory committee for the purpose of soliciting input on policies, procedures, and other matters pertinent to retailer participation in the WIC program.
- (2) The retailer advisory committee meets at least two times per year.
- (3) The membership of the retailer advisory committee consists of representation ((of)) from at least the following:
  - (a) Washington Food Industry;
  - (b) Large chain;
  - (c) Small chain;
  - (d) Independent retailer (single store);
  - (e) Minority-owned retailer;
  - (f) Military commissary;
  - (g) Loss prevention or risk manager or human resources representative from any size retailer;
  - (h) Technical college checker training program instructor;
  - (i) Local WIC agency staff person;
  - (j) Current or former WIC client; and
  - (k) A union representative.

# Retailer compliance

## Retailer compliance

- Retailer compliance relies on the checkers. It is the checkers who are faced with correcting improper choices made by WIC customers and helping the customers have a good WIC shopping experience.
- When the WIC shopping experience does not go well, retailers, clinic staff or customers report complaints to the state WIC office.
- Based on the nature of the complaint, a retailer may receive technical assistance from the state WIC office or be referred for investigation.
- Compliance issues may also be discovered during a monitoring visit or during an investigation.

### Examples of retailer compliance issues are:

**WIC food out of stock:** This occurs most frequently with infant formula. Retailers are required to maintain the minimum inventory level for each food category, including infant formula. Retailers are not required to stock every WIC approved item within each WIC food category.

**Selling items other than what is listed on the check:** This can happen when the retailer offers a substitution for an out of stock item. For example: substituting cans of concentrate infant formula when the WIC check states powdered infant formula, or allowing a different brand to be purchased when the brand the customer needs is not on the shelf. This can also happen when the customer makes intentional or unintentional wrong choices of foods to buy and the retailer allows the purchase.

**Cash exchanged:** The retailer contract states retailers shall “request no cash from a WIC customer and give no cash to a WIC customer during a WIC transaction.” This is usually reported when the maximum price allowed by WIC does not cover the actual purchase amount of the WIC food. Often there has been a price increase that has not yet been reported. The retailer must contact the state WIC office to report the price change. Requesting cash from the customer is not allowed and does not resolve the problem.

**Inappropriate check cashing procedure:** This is reported when the customer knows the correct check cashing procedure and the checker may not have enough information. For example, customers are instructed not to countersign their WIC check before the checker enters the actual purchase amount, but the checker may ask the customer to sign the check while the order is being rung up “to save time”. Another example is when the checker offers a rain check to a customer when the store is out of stock on a WIC food item. Both actions are inappropriate.

# Retailer compliance

**Discourteous checker:** This is usually reported when a miscommunication occurs at the check stand. Sometimes it is the result of the tone of voice or body language used or perceived during the transaction or disagreement about WIC approved foods. Sometimes it is a result of an inappropriate comment made during the transaction. Good customer service practices and use of retailer reference materials should minimize this issue.

## Other serious issues that occur rarely:

**Breaching customer confidentiality:** Any information a checker learns about a customer during a WIC transaction must be kept confidential. For example, it would be a breach of confidentiality to say to a friend “Did you know Wendy WIC is on WIC?” In addition, stores must not post names or other customer information in any area where every customer could see. Also, if calling for manager assistance with a WIC transaction over the store intercom, don’t identify “WIC” over the intercom.

**Customer civil rights complaint:** The state WIC office is mandated to refer discrimination complaints based on race, color, national origin, sex, age, or disability directly to the Office of Civil Rights, United States Department of Agriculture.

## Retailer compliance investigations

The State agency must conduct compliance buys of a minimum of five percent of the number of retailers authorized by the State agency as of October 1 of each fiscal year (7CFR246.12).

### Definition:

Compliance buy means a covert, onsite investigation in which a representative of the Program poses as a WIC customer and transacts one or more WIC checks.

# Retailer compliance

## Monitoring

The Washington State WIC Nutrition Program is required by federal regulations to monitor its authorized retailers. On-site monitoring is conducted on at least 5 percent of WIC authorized retailers each year. Monitoring helps WIC provide better service and information to retailers so those retailers in turn can provide better service to WIC customers.

### **Retailers are selected for monitoring based on:**

- WIC redemption information
- Complaints submitted by WIC customers, WIC clinic staff, or the general public
- Geographic location

### **Protocol**

#### **During a monitor visit a WIC representative:**

- Identifies him/herself to the person in charge
- Reviews WIC checks in the store
- Reviews the inventory of WIC foods for quantity, prices and expiration dates
- Discusses check-cashing procedures with checkers and managers
- Observes a WIC customer if possible
- Provides training
- Provides technical assistance as needed
- Enters the monitoring visit information on the Retail Monitor Form and asks the person in charge to sign it.

### **Follow up**

- The WIC representative will only send a letter to the store manager and/or corporate office if some kind of corrective action is needed

# Retailer compliance sample monitor report form

## WASHINGTON STATE DEPARTMENT OF HEALTH WIC PROGRAM

Report Date: 12/30/2005 01:48 pm

### Retailer Monitor Report

Retailer Name  
Street Address  
City, State Zip  
Phone

Manager Name

Person In Charge

PREVIOUS VISIT DATE 06/04/2004

Source ☐ Random ☐ ComplaintFood Price List Updated ☐ Yes ☐ NoTraining Material In Use ☐ Yes ☐ NoTech Assistance Offered ☐ Yes ☐ NoEducation Buy ☐ Yes ☐ No

#### Findings - Previous Visit

- ☐ Excellent inventory
- ☐ Inventory OK
- ☐ Inventory meets minimum
- ☐ WIC sign posted (check adhesiv
- ☐ WIC sign not posted
- ☐ No contract brand formula
- ☐ Not enough contract formula
- ☐ No Enfamil w/Iron 13 oz conc
- ☐ No Enfamil w/Iron 14.3 oz pwd
- ☐ No Enfamil w/Iron RTU
- ☐ No Prosobee 13 oz conc
- ☐ No Prosobee 14 oz conc
- ☐ No Prosobee RTU
- ☐ Low other formula brands (note
- ☐ Pediasure not available
- ☐ Insufficient infant cereal
- ☐ Insufficient fluid milk
- ☐ Insufficient cheese
- ☐ insufficient eggs
- ☐ Insufficient peanutbutter
- ☐ Insufficient juice
- ☐ Insufficient dry beans
- ☐ Insufficient carrots
- ☐ Insufficient tuna
- ☐ Insufficient breakfast cereal
- ☐ No hot cereal
- ☐ Foods very dusty
- ☐ Dusty/dirty shelves and floors
- ☐ Outdated infant formula
- ☐ Defrosted juice in freezer
- ☐ Outdated cereals
- ☐ Outdated fluid milk

THIS VISIT DATE

Source ☐ Random ☐ ComplaintFood Price List Updated ☐ Yes ☐ NoTraining Material In Use ☐ Yes ☐ NoTech Assistance Offered ☐ Yes ☐ NoEducation Buy ☐ Yes ☐ No

#### Findings - This Visit

- ☐ Excellent inventory
- ☐ Inventory OK
- ☐ Inventory meets minimum
- ☐ WIC sign posted (check adhesiv
- ☐ WIC sign not posted
- ☐ No contract brand formula
- ☐ Not enough contract formula
- ☐ No Enfamil w/Iron 13 oz conc
- ☐ No Enfamil w/Iron 14.3 oz pwd
- ☐ No Enfamil w/Iron RTU
- ☐ No Prosobee 13 oz conc
- ☐ No Prosobee 14 oz conc
- ☐ No Prosobee RTU
- ☐ Low other formula brands (note
- ☐ Pediasure not available
- ☐ Insufficient infant cereal
- ☐ Insufficient fluid milk
- ☐ Insufficient cheese
- ☐ insufficient eggs
- ☐ Insufficient peanutbutter
- ☐ Insufficient juice
- ☐ Insufficient dry beans
- ☐ Insufficient carrots
- ☐ Insufficient tuna
- ☐ Insufficient breakfast cereal
- ☐ No hot cereal
- ☐ Foods very dusty
- ☐ Dusty/dirty shelves and floors
- ☐ Outdated infant formula
- ☐ Defrosted juice in freezer
- ☐ Outdated cereals
- ☐ Outdated fluid milk

# Retailer compliance sample monitor report form

## WASHINGTON STATE DEPARTMENT OF HEALTH WIC PROGRAM

Report Date: 12/30/2005 01:48 pm

### Retailer Monitor Report

Retailer Name  
Street Address  
City, State Zip  
Phone

#### Findings - Previous Visit

- ☐ Outdated dry milk
- ☐ Moldy cheese
- ☐ No Retailer Handbook in store
- ☐ No checker references
- ☐ Out-dated checker references
- ☐ No WIC shelf tags
- ☐ Incorrect WIC shelf tags
- ☐ Insufficient WIC shelf tags
- ☐ High prices
- ☐ Prices not posted
- ☐ Observed wrong food sold
- ☐ Observe incorrect chk. cashing
- ☐ Observed non-food sold
- ☐ Uncooperative employees

#### Checks Reviewed Previous Visit 3

##### Check Findings - Previous Visit

- ☐ No check findings
- ☐ No WIC checks in the store
- ☐ Checks accepted early
- ☐ Expired checks accepted
- ☐ Dates missing
- ☐ Dates changed
- ☐ Obvious alterations
- ☐ No signatures on checks
- ☐ Missing first signature
- ☐ Missing counter signature
- ☐ Two different signatures
- ☐ Check exceeds NTE
- ☐ Wrong purchase amount
- ☐ Wrong store accepted check
- ☐ Accepted out-of-state check
- ☐ Missing purchase amount
- ☐ Missing payee name

##### Outcomes - Previous Visit

- ☐ No findings
- ☐ Follow-up letter to store mgr.
- ☐ Follow-up call to store mgr.
- ☐ Given training schedule

#### Findings - This Visit

- ☐ Outdated dry milk
- ☐ Moldy cheese
- ☐ No Retailer Handbook in store
- ☐ No checker references
- ☐ Out-dated checker references
- ☐ No WIC shelf tags
- ☐ Incorrect WIC shelf tags
- ☐ Insufficient WIC shelf tags
- ☐ High prices
- ☐ Prices not posted
- ☐ Observed wrong food sold
- ☐ Observe incorrect chk. cashing
- ☐ Observed non-food sold
- ☐ Uncooperative employees

#### Checks Reviewed This Visit

##### Check Findings - This Visit

- ☐ No check findings
- ☐ No WIC checks in the store
- ☐ Checks accepted early
- ☐ Expired checks accepted
- ☐ Dates missing
- ☐ Dates changed
- ☐ Obvious alterations
- ☐ No signatures on checks
- ☐ Missing first signature
- ☐ Missing counter signature
- ☐ Two different signatures
- ☐ Check exceeds NTE
- ☐ Wrong purchase amount
- ☐ Wrong store accepted check
- ☐ Accepted out-of-state check
- ☐ Missing purchase amount
- ☐ Missing payee name

##### Outcomes - This Visit

- ☐ No findings
- ☐ Follow-up letter to store mgr.
- ☐ Follow-up call to store mgr.
- ☐ Given training schedule

# Retailer compliance sample monitor report form

## WASHINGTON STATE DEPARTMENT OF HEALTH WIC PROGRAM

Report Date: 12/30/2005 01:48 pm

### Retailer Monitor Report

Retailer Name  
Street Address  
City, State Zip  
Phone

#### Outcomes - Previous Visit

- ☐ Updated references provided
- ☐ Training provided
- ☐ Training materials sent
- ☐ Store training planned
- ☐ Referred to investigator
- ☐ Referred for corrective action
- ☐ Educational buy planned
- ☐ Call to corporate office
- ☐ Referred to local health dept.
- ☐ TA offered/purpose of program
- ☐ TA offered on foods
- ☐ TA offered on stock levels
- ☐ TA offered on check handling
- ☐ TA offered on sanction system
- ☐ TA offered/complaint process
- ☐ TA offered/claims procedures
- ☐ TA offered/admin errors
- ☐ Technical assistance refused

#### Outcomes - This Visit

- ☐ Updated references provided
- ☐ Training provided
- ☐ Training materials sent
- ☐ Store training planned
- ☐ Referred to investigator
- ☐ Referred for corrective action
- ☐ Educational buy planned
- ☐ Call to corporate office
- ☐ Referred to local health dept.
- ☐ TA offered/purpose of program
- ☐ TA offered on foods
- ☐ TA offered on stock levels
- ☐ TA offered on check handling
- ☐ TA offered on sanction system
- ☐ TA offered/complaint process
- ☐ TA offered/claims procedures
- ☐ TA offered/admin errors
- ☐ Technical assistance refused

Name / Signature of Reviewer

Date

Manager / PIC

Date



# WIC retailer claims procedure

## When a **Claim** is made against a retailer

- The WIC program will send the retailer a letter with the details of the claim.
- The letter will state the reason for the claim, supporting information, and an invoice if money is owed to the program.
- Instructions for payment will be included.

# Minimum stock levels

## Important information for store owners

- WIC clinics issue checks to clients every day of the month, except Sundays. You need to be prepared to meet the needs of your WIC customers. That means you need to have **at least** the minimum quantities of WIC foods on the shelf **all the time**.
- The WIC contract requires your store carry a reasonable variety of the WIC approved foods from all WIC food categories.
- The WIC contract requires your store carry at least the WIC contract formulas in adequate quantities to meet the needs of your WIC customers. If your WIC customers need other formulas, it is good customer service to be able to provide them.
- The most common complaint received from WIC clients is low stock of infant formula. WIC infants receive 31 cans of 13-oz concentrate formula, 8 to 10 cans of powder formula, **or** 25 cans ready-to-feed formula each month. Some WIC clients receive more: 35 cans of 13-oz concentrate formula, 9 to 11 cans of powder formula, **or** 28 cans ready-to-feed formula each month.
- About 75% of Washington WIC infants use the contract formulas in the powdered form.
- The state WIC office has data on the quantity of WIC foods purchased monthly in your store. Call 1-800-841-1410 to request that information.
- Pharmacies are required to meet the Minimum Stock Levels for infant formula only. They are not required to carry foods from any of the other WIC categories.

# WIC approved foods - minimum stock levels:

Quantities listed must be on the shelf available for purchase at all times.

Approved Foods	Approved Sizes	Minimum Stock Requirements		
<b>1. INFANT FORMULA - CONTRACT BRANDS</b>  Enfamil with Iron Enfamil LIPIL with Iron Enfamil Gentlease LIPIL, Iron Fortified Enfamil LactoFree LIPIL, Iron Fortified Enfamil Prosobee, Iron Fortified Enfamil Prosobee LIPIL, Iron Fortified	13 oz. concentrate  12/12.9/14.3 oz. powder  32 oz. ready-to-feed/ ready-to-use	<b>0 infants</b>  Be able to have adequate stock of a requested formula on the shelf within 48 hours of request.	<b>1-2 infants</b>  <b>62</b> cans concentrate <b>OR</b> <b>18</b> cans powder <b>OR</b> <b>50</b> cans ready-to-feed  <b>OR</b> a combination	<b>3+ infants</b>  <b>93</b> cans concentrate <b>OR</b> <b>27</b> cans powder <b>OR</b> <b>75</b> cans ready-to-feed <b>OR</b> a combination
<b>2. INFANT FORMULA – SPECIAL NEEDS</b>  Enfamil A.R. LIPIL, Iron Fortified Enfamil Enfacare LIPIL, Iron Fortified Enfamil Nutramigen LIPIL, hypoallergenic formula, Iron Fortified Similac Alimentum Advance, protein hydrolysate formula with Iron Similac NeoSure Advance with Iron	13 oz. concentrate  12.8/12.9/16 oz. powder  32 oz. ready-to-feed/ ready-to-use	Stock enough to meet the needs of your WIC clients  and  Be able to have adequate stock of a requested formula on the shelf within 48 hours of request.		
<b>3. INFANT CEREAL, dry -- no added fruit or formula</b> Gerber Heinz Del Monte Earth's Best organic	8 oz. box 16 oz. box	<b>0 infants</b>  Be able to have adequate stock on the shelf within 48 hours of request	<b>1-2 infants</b>  6 8-oz boxes <b>OR</b> 3 16-oz boxes <b>OR</b> a combination	<b>3+ infants</b>  <b>9</b> 8-oz boxes <b>OR</b> <b>4</b> 16-oz boxes and <b>1</b> 8-oz box <b>OR</b> a combination
<b>4. CHILD NUTRITIONAL:</b> Pediasure (any variety) Pediasure with Fiber	6 packs of 8 oz. containers	Have available within 48 hours on request. Monthly allotment per client can be up to 108 cans ( <b>18 6-packs</b> )		

# WIC approved foods - minimum stock levels:

Quantities listed must be on the shelf available for purchase at all times.

Approved Foods	Approved Sizes	Minimum Stock Requirements
<b>5. EGGS, white, chicken</b>	Large, medium, or small	<b>8</b> dozen in one-dozen size cartons
<b>6. PEANUT BUTTER, plain:</b> Creamy, crunchy, or chunky	16- to 18-oz jars	<b>4</b> jars
<b>7. MILK, fluid, pasteurized:</b> Whole, homogenized, with Vitamin D added 2% Reduced Fat with Vitamin A & D added 1% Low fat with Vitamin A & D added Fat-free, Skim, or Non-fat with Vitamin A & D added Acidophilus with Vitamin A & D added Lactaid, Lactose-Reduced and Lactose free Organic with Vitamins A and/or D added Kosher Skim Deluxe, Skim Royal, Trim Deluxe, Skim Supreme  <b>MILK</b> Evaporated Dry powdered	Quarts Half-gallons Gallons         12 oz. canned 3 qt. boxes or larger	<b>112</b> quarts <b>OR</b> <b>56</b> half-gallons <b>OR</b> <b>28</b> gallons <b>OR</b> a combination of fluid milk container sizes  <b>OR</b>  <b>28</b> cans evaporated milk <b>OR</b> <b>28</b> quarts dry powdered milk <b>OR</b> a combination
<b>8. CHEESE, domestic and pasteurized:</b> Cheddar: medium, mild, sharp - yellow or white <b>Un sliced</b> Kraft Deluxe American (blue box) Monterey Jack Mozzarella (whole milk or part skim, including string cheese)	Half-pound One-pound Two-pound  Multi-stick bags of string cheese	<b>8</b> pounds
<b>9. DRY BEANS/PEAS/LENTILS:</b> Any variety of plain dry bean, pea, or lentil Organic okay	One-pound packages <b>OR</b> maximum of one-pound bulk weight	Two varieties  <b>4</b> pounds

## WIC approved foods - minimum stock levels:

**Quantities listed must be on the shelf available for purchase at all times.**

[illegible]

# WIC approved foods - minimum stock levels:

Quantities listed must be on the shelf available for purchase at all times.

Approved Foods	Approved Sizes	Minimum Stock Requirements
<b>Full Strength</b> Apple – <b>Tree Top (green label)</b> Grape – <b>Welch's 100% purple and white</b> Grapefruit – <b>Texsun Ruby Red</b> Orange – <b>Texsun</b> Pineapple – <b>Dole 100%</b> Tomato – <b>Campbell's</b> Vegetable – <b>Essential Antioxidants V8® 100%</b>	46 oz. cans	<b>24</b> cans of 46 oz. full strength  <b>OR</b>      a combination of frozen and full-strength
<b>11. CARROTS,</b> fresh, frozen or canned organic okay	Any size package up to two-pound maximum	<b>4</b> lb. fresh <b>4</b> 14-16 oz. pkg. frozen <b>4</b> 14.5 oz. cans <b>8</b> 8.25 oz cans <b>OR</b> combination of above
<b>12. TUNA</b> Chunk Light Any brand Water packed	3 oz., 6 oz., 9 oz., or 12 oz. cans	<b>16</b> 3-oz cans <b>8</b> 6-oz cans <b>6</b> 9-oz cans <b>4</b> 12-oz cans <b>OR</b> a combination

## WIC approved foods - minimum stock levels:

**Quantities listed must be on the shelf available for purchase at all times.**

[illegible]

# WIC approved

## Infant formula supplier list

In accordance with *Section 203 (e)(8) of the Child Nutrition and WIC Reauthorization Act of 2004*, all authorized WIC retailers are required to purchase infant formula from **only** the wholesalers listed below:

### **ALBERTSON'S**

17505 NE SAN RAFAEL ST  
PORTLAND, OR 97230

### **AMERISOURCEBERGEN DRUG**

19220 64TH AVE S  
KENT, WA 98032

### **ASSOCIATED GROCERS**

3301 S NORFOLK ST  
SEATTLE, WA 98118

### **CARDINAL DISTRIBUTION DBA: CARDINAL HEALTH**

801 C ST NW SUITE B  
AUBURN, WA 98001

### **MCKESSON DRUG CO 128**

710 132ND ST S  
EVERETT, WA 98204

### **KROGER CO/FRED MEYER INC**

349 VALLEY AVE NW  
PUYALLUP, WA 98371

### **HARBOR WHSLE GROC INC**

7845 CENTER ST SW  
TUMWATER, WA 98501

### **MCLANE NORTHWEST**

9611 45TH AVE SW - BLDG 4  
TACOMA, WA 98499

### **BRISTOL MYERS**

#### **SQUIBB COMPANY**

#### **MEAD JOHNSON NUTRITIONALS**

2400 WEST LLOYD EXPRESSWAY  
EVANSVILLE, WA 47721-0001

### **NESTLE, USA- Carnation**

Nutritional Products Division  
800 NORTH BRAND DIVISION  
GLENDALE, WA 91203

### **ABBOTT LABORATORIES ROSS**

PRODUCTS DIVISION  
625 CLEVELAND AVENUE  
COLUMBUS, OH 43215-1724

### **SAFEWAY DIST CTR GROCERY**

1227 124TH AVE NE  
BELLEVUE, WA 98005

### **SAFEWAY STORES INC**

N 5707 FREYA ST  
SPOKANE, WA 99207

### **SUPERVALU SPOKANE**

11016 E MONTGOMERY  
SPOKANE, WA 99206

### **SUPERVALU TACOMA 00075**

1525 E D ST  
TACOMA, WA 98421

### **U R M STORES INC**

7511 N FREYA  
SPOKANE, WA 99207

### **UNIFIED WESTERN GROCERS**

P.O. BOX 22187  
PORTLAND, OR 97269

### **WALMART STORES-**

THROUGHOUT WASHINGTON

### **WALMART WAREHOUSE #6037**

1455 SE FEEDVILLE RD  
HERMISTON, OR 97838

### **WAREMART DISTRIBUTION CENTER**

PO BOX 12909  
SALEM, OR 97319



# How to update your prices

## Instructions for the WIC food price list

### Stores with e-mail:

The state office will send your price list electronically each quarter or on your request. Follow the instructions provided in the e-mail.

### Stores without e-mail:

State office will send hard copies of price list quarterly or on your request. Follow the instructions below.

1. Write clearly in blue or black ink
2. Enter store name and store address at the top of the form
3. Enter a price on the FOOD PRICE LIST form for each WIC food you stock in your store
4. Enter the price in the NEW PRICE column on the form
5. Enter "0" (zero) for WIC foods you do not stock
6. Always give WIC your highest price when there is a difference between brands or sizes.

### For example: Cheddar Cheese, 1 pound

If you carry:

- 8 oz. Tillamook Sharp Cheddar Cheese at \$7.36 per pound, and
- 1 lb. (store brand) Cheddar Cheese at \$5.99 per pound

Use the price per pound for the 8 oz. Tillamook Sharp Cheddar as it is the higher price in this example

7. Do not give WIC sale prices, loyalty card prices or other discounts
8. Enter the UPC code in the UPC CODE column on the form. Be sure to include the leading and trailing digits.

### For example:



This UPC code is: 3 0 0 7 4 6 6 0 6 0 1 7

9. Double check the form for readability and completeness
10. Mail the completed FOOD PRICE LIST with your Request for Authorization forms to:

WIC Program - Retailer Management  
P.O. Box 47886  
Olympia, WA. 98504-7886

# Training

## Required retailer training

- Retailers are required to participate in annual training on WIC Program requirements by reading all training materials provided by the WIC Program.
- Retailers are required to participate in interactive training sessions on WIC Program requirements at least once during the three-year contract period.
- Store representatives who attend training must sign the attendance sheet to assure credit for the required training.
- Retailers are required to train checkers, customer service specialists, front end supervisors, managers, bookkeepers, and inventory control employees on WIC Program requirements and the consequences of failing to follow those requirements.
- Retailers must maintain written documentation of which employees received training on WIC Program requirements. Use the training log in the appendix to document training.

## Interactive training sessions

1. WIC offers training sessions at locations across the state on an on-going basis. The schedule for each upcoming quarter is published on the WIC Website, <http://www.doh.wa.gov/cfh/WIC/>.
2. Training is provided at no cost to retailers.
3. The state WIC office arranges the training locations.
4. Training sessions are 2 hours long.

## In-store training classes

1. In-store training classes can be arranged for store employees, including checkers, front-end supervisors, and managers free of charge.
2. Call the 1-800-841-1410 at least four weeks in advance to make arrangements.
3. Classes require 2 hours.
4. The retailer is responsible for arranging in-store space adequate for those attending the training.

# Training

## Coordinated training

1. Retailers with their own training centers or training staff can consult with the state WIC office to develop WIC training for employees and multiple retail outlets.
2. Consulting is provided at no cost to retailers.
3. The final training plan must be approved by the state WIC office.
4. Retailers must send written documentation of which stores/employees received training on WIC Program requirements. Documentation must be dated (see the example of a training log in the appendix).

## Retailer materials from WIC

- Retailers receive two copies of the retailer handbook
- The handbook is designed to be used for training
- A set of color-coded shelf talkers
- A WIC door sign
- WIC Food Brochures
- Retailers can copy any part of the handbook to use for training.

### An example:

- **Copy the page of information called, “How to Redeem Checks that are Stamped”**
- **Laminate the page**
- **You can use a dry-erase marker to circle the dates and the WIC customer signature box**
- **Using the dry-erase marker, show the checker how to mark the box in front of the customer’s name**

**Contact the State WIC Office if you need additional of WIC training information.**

**Phone: 1-800-841-1410**

**FAX: (360) 236-2345**

